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Testimony of Ali Sina Moravej Joint Public Hearing of Appropriations, Human Services, and Energy & Technology on LIHEAP Block Grant proposal September 27, 2011

Good Afternoon Chairs and members of the Appropriations, Human Services, and Energy & Technology committees. Thank you for the opportunity to testify today.

My name is Ali Sina Moravej, and I am a student at UConn currently participating in the Urban Semester Program in Hartford.

I am here today to testify in opposition to the Office of Policy and Management's Energy assistance proposal for the winter of 2011 and 2012. The proposal eliminates benefits for utility heated customers and renters while reducing the income eligibility for heating assistance.

I understand that the state of Connecticut and the country as a whole face unsustainable deficits that need to be addressed. I also understand that, given the nature of our situation, the legislature is going to have to make tough choices in balancing the budget. I strongly believe, however, that heating assistance is the wrong place to be targeting for budget cuts.

While our state does face massive deficits, we also are dealing with an unacceptable rate of unemployment and poverty. Historically, those applying for government benefits were considered "low income." Now we see a declining middle class being forced to apply for basic needs assistance from the state in order to get by. Even worse, those in the lower income brackets are faced with greater financial burdens than before the great recession. Right now there is an unprecedented amount of need for relief for middle and lower income families. The Office of Policy and Management's Energy assistance proposal will continue to worsen these trends.

My opposition to the proposal is based on the following reasons.

- 1. The proposal violates both Federal and Connecticut Law regarding energy assistance: Federal law requires that energy assistance be focused on households that would pay a high proportion of their income for home energy. CT law also prohibits discrimination based on a heat source. The OPM proposal will only provide benefits to households using deliverable fuel heated households, while those whose homes are utility heated will lose all benefits, regardless of income or need.
- 2. The proposal will create even more hardship for struggling families: The proposal makes It harder to qualify for heating assistance by changing the formula from 60% SMI to 150% of the FPL. This rule, coupled with the new fuel discrimination standards will cut over 85,000 state residents from heating assistance. For many, this can be the difference between staying in the middle class or moving into poverty.

3. The proposal will hurt the prospects of lower energy costs for the future: The proposed cuts also reduce weatherization eligibility from 60% SMI to 150% of the FPL. The new standards will dramatically reduce funding for weatherization assistance. The state could lose between \$4 million and \$6 million dollars of weatherization assistance from the federal government because of these cuts. If we cut state funding for weatherization, we risk having to return federal money for weatherization as well. Without weatherization aid, many households will be unable to reduce their future consumption, ensuring high utility bills for years to come.

.Instead I urge the legislature to adopt the Low-Income Energy Advisory Board's recommendations which will:

- 1. Keep the energy and weatherization thresholds at 60% SMI
- 2. Maintain last winter's program schedule with assistance regardless of heating sources or renter status
- 3. Follow last winter's program time table for benefits

And ·

4. Commit State funds to supplement federal funds available for energy assistance benefits.

To ensure that CT families do not face greater hardship this winter, I advise the legislature to reject the Office of Policy and Management's winter block grant proposal and adopt the Low-Income Energy Advisory Board's recommendations.

Thank you for your time and attention to my testimony.